



## Public Service Commission

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Rory M. Christian, Chair

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**22053 /21-G-0394**

### **PSC Reduces Corning Gas Rate Hike Request by Half**

**Decision Complies with CLCPA Requirements to Reduce Greenhouse Gas Emissions**

#### **Corning Merger with Argo Approved**

**ALBANY** — The New York State Public Service Commission (Commission) today approved a proposal that sets forth a three-year rate plan for Corning Natural Gas Corporation (Corning), along with the terms and conditions for approval of a proposed merger. The approved agreement provides for a comprehensive rate plan commencing July 1 and extending for three consecutive rate years ending June 30, 2025. The rate plan will permit Corning to increase revenues from gas operations by levelized amounts of \$1.7 million in the first year, \$1.8 million in the second year, and \$1.74 million in the third year. Corning had proposed levelized revenue increases of \$3.6 million in each of the three rate years.

“The joint proposal benefits customers through gas safety and customer service performance metrics that carry positive and negative revenue adjustments to incentivize the company in meeting established targets,” **said Commission Chair Rory M. Christian.** “It strikes the appropriate balance between the need to decrease greenhouse gas emissions and the need for the company to meet its legal obligations to provide safe and reliable gas service at rate levels that are just and reasonable.”

Based upon the record, the joint proposal adequately mitigates rate impacts during the term of the three-year rate plans, while providing sufficient funding for the company to maintain safe and reliable service and attract necessary capital to ensure its long-term viability.

With the Commission’s decision, the average annual total bill impact for residential heating customers will be \$81.70 annually, an increase of approximately 6.9 percent, in the first year; \$89.23 annually in the second year, an increase of 7 percent; and \$86.34 annually in the third year, an increase of 6.4 percent.

Corning is a local gas distribution company with 430 miles of gas mains and service lines that sell or transport natural gas to approximately 15,000 customers. Gas deliveries are made across 23 towns and villages, covering about 360 square miles, across portions of Steuben, Chemung and Cortland counties.

The signatories of the rate provisions of the joint proposal included Corning, Department of Public Service staff, and Multiple Intervenors. In addition to the rate changes, the Commission approved a

merger between Corning and Argo Infrastructure Partners LP, a private equity firm that specializes in owning utility-infrastructure.

In terms of reducing greenhouse gas emissions, the agreement requires Corning to replace or remove a combined total of 28 miles of leak-prone pipe over the three-year period 2022 through 2024. Eliminating such pipe results in a reduction of the number of leaks in the system, as well as a reduction in the costs associated with responding to leak calls and those costs related to repairing and monitoring leaks. This results in a substantial increase in safety and a reduction of methane emissions, a known greenhouse gas.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.ny.gov](http://www.dps.ny.gov) and entering Case Number 21-G-0394 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.